

THIS INSTRUMENT PREPARED BY:

James B. McLaren, Jr.

Armstrong Allen, et al

80 Monroe Avenue, Suite 700

Memphis, Tennessee 38103

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BOOK

72 PAGE 630

SUBORDINATION, ATTORNMENT, AND
NON-DISTURBANCE AGREEMENT

This Agreement is executed this 27th day of ^{August}~~July~~, 1996 by and among UNION PLANTERS BANK OF MISSISSIPPI, P.O. Box 169,8819 Northwest Drive, Southaven, Mississippi 38671 (hereinafter "Lender"), ICI ACRYLICS, INC., a Mississippi corporation, with its principal place of business at 10800 Ridgeway Industrial Dr., Olive Branch, Mississippi 38654 (hereinafter "Tenant"), and H&K WAREHOUSE, INC., a Mississippi corporation, 7585 Priority Lane, Olive Branch 38654 (hereinafter "Landlord").

Reference is made to "Lease" dated June 14, 1995 by and between Landlord and Tenant, with reference to premises more particularly described on Exhibit A hereto, being part of the real property subject to the lien of the deed of trust hereinafter described.

Reference is made to deed of trust ("Deed of Trust") dated ^{August}~~July~~ 27, 1996 executed by Landlord to Richard G. Hall, as Trustee, for the benefit of Lender, which Deed of Trust is recorded as instrument _____, Chancery Clerk's office, DeSoto County, Mississippi.

Lender desires that said Lease be made subordinate to said Deed of Trust and that Tenant agree to attorn to Lender and Tenant is agreeable to such subordination and attornment provided that the Lender agrees not to disturb Tenant in its possession under the Lease in the event of foreclosure of the Deed of Trust,

provided Tenant complies with all the terms and conditions of said Lease.

In consideration of Ten Dollars (\$10.00), and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Tenant agrees that said Lease shall henceforth in all respects be subject and subordinate to said Deed of Trust and the lien of said Deed of Trust.

2. Lender covenants that if Lender shall obtain possession of said real property as a result of the default of Landlord under said Deed of Trust, or if said Deed of Trust shall be foreclosed, or if Lender shall accept a deed in lieu of foreclosure, in any such event Tenant will not be disturbed in its possession under said Lease, and the Lease will be terminated only in manner provided in the Lease, so long as Tenant complies with all the terms and conditions of said Lease, including without limitation the payment of rent required under said Lease and Tenant attorns to Lender or the purchaser at a foreclosure, as hereinafter provided.

3. Tenant agrees that if Lender shall obtain possession of said premises as a result of Landlord's default under said Deed of Trust, or by deed in lieu of foreclosure, or if said Deed of Trust shall be foreclosed, Tenant will attorn to Lender, or to the purchaser at said foreclosure sale, or to the grantee under said deed in lieu of foreclosure, or to the grantee under said deed in lieu of foreclosure, if such purchaser or grantee is other than Lender, as the case may be, as landlord under said Lease to be bound to Lender or such purchaser or grantee, its successors and assigns, under all the terms, covenants and conditions of the Lease for the balance of the term thereof remaining and any extensions or renewals thereof, such attornment to be effective and self-operative without the execution of any further instrument on the part of any of the parties hereto, provided however that Tenant shall be under no obligation to pay rent to Lender, or such purchaser or grantee, until Tenant receives written notice from Lender or such purchaser or grantee that it has succeeded to the interest of Landlord under said Lease, and provided further that Lender or such purchaser shall not be liable to Tenant for any act or omission of Landlord (or its successors in interest under said Lease, if other than Lender or such purchaser or grantee) or be subject to any offsets or

defenses which Tenant might have against Landlord, and the obligations of Lender or such purchaser or grantee after such notice pursuant to any covenant of quiet enjoyment, expressed or implied, in said Lease shall be limited to acts of Lender or such purchaser or grantee.

4. Landlord joins herein for the purpose of consenting to the above subordination, attornment, and nondisturbance provisions. Landlord further agrees that Tenant upon demand and notice from Lender, or such purchaser at foreclosure or grantee of a deed in lieu of foreclosure, of Landlord's default under the Deed of Trust may pay the rents due under said Lease to Lender or such purchaser or grantee, as the case may be, without liability of Tenant to Landlord for determination of the existence of such default claimed by Lender or such purchaser or grantee or of the right to receive such rents.

5. This Agreement shall be binding upon the heirs, personal representatives, successors and assigns of the parties.

6. This Agreement may not be amended except by instrument in writing executed by all the parties hereto.

Executed as of the day and year first above written, Lender and Tenant acting through their duly authorized representative.

LENDER:

UNION PLANTERS BANK OF MISSISSIPPI

By: *Philip S. Hall*
Its: Senior Vice President

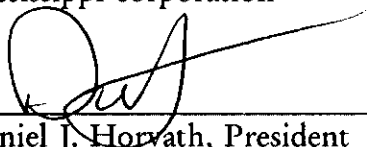
TENANT:

ICI ACRYLICS, INC., a Mississippi corporation

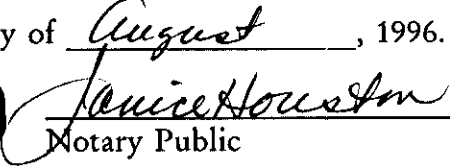
PLEASE
SIGN →

By: *G. Howard*
Its: DRG. MGR.

LANDLORD:

H&K WAREHOUSE, INC., a
Mississippi corporationBy: 
Daniel J. Horvath, PresidentSTATE OF MISSISSIPPI
COUNTY OF DESOTO

This day personally appeared before me, the undersigned authority in and for said State and County, the within named **DANIEL J. HORVATH**, known to me to be the President of **H & K WAREHOUSE, INC.**, a Mississippi corporation, who acknowledged that he signed and delivered the foregoing instrument on the day and year therein mentioned, for the purpose therein set forth, and in the capacity therein stated, for in behalf of **H & K WAREHOUSE, INC.**, after being duly authorized so to do.

Given under my hand and seal this 16th day of August, 1996.
Notary Public

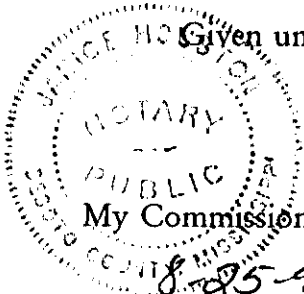
My Commission Expires:

8-25-98

STATE OF MISSISSIPPI
COUNTY OF DESOTO

This day personally appeared before me, the undersigned authority in and for said State and County, the within named JOHN D. NOWARD, known to me to be the Dist. MANAGER of ICI ACRYLICS, INC., a Mississippi corporation, who acknowledged that he signed and delivered the foregoing instrument on the day and year therein mentioned, for the purpose therein set forth, and in the capacity therein stated, for in behalf of ICI ACRYLICS, INC., after being duly authorized so to do.

Given under my hand and seal this 16th day of August, 1996.



Janice Houston
Notary Public

STATE OF TENNESSEE)
COUNTY OF SHELBY)

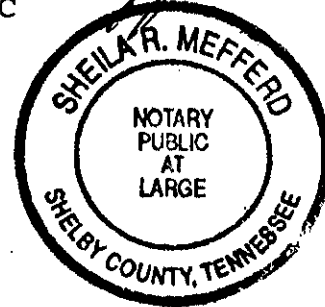
Personally appeared before me, Sheila R. Mefford,
a Notary Public in and for said State and County, Richard G. Hall,
with whom I am personally acquainted and who
under oath acknowledged that he/she executed the within
instrument for the purposes therein contained, and who further
acknowledged that he/she is the Sr. Vice Pres. of the maker,
UNION PLANTERS BANK OF MISSISSIPPI, a Mississippi corporation,
and is authorized by maker to execute this instrument on behalf
of maker.

WITNESS my hand, at office, this 27th day of August,
1996.

Sheila R. Mefford
NOTARY PUBLIC

My Commission Expires:

April 27, 1999



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STATE MS. - DE SOTO CO. *BC*

AUG 29 3 18 PM '96

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W.E. DAVIS CH. CLK.